

INTERAGENCY ADVISORY GROUP

UNITED STATES OF AMERICA
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

Secretariat

Room 1304—1900 E St., N.W.
Code 101, Ext. 26266 or
Area Code 202—632-6266

**Minutes of the IAG Committee on
Personnel Management Evaluation**

July 26, 1979

The next meeting will be:

Date: Thursday, October 18, 1979
Time: 9:30 a.m. - 11:30 a.m.
Place: Room 1304, Office of Personnel Management
1900 E Street, N.W.

The July 26 meeting was chaired by Robert J. Drummond, Jr., Chairperson of the Personnel Management Evaluation Committee. He was accompanied by John L. Kill Kelley, Chief of the Analysis and Development Division, Agency Compliance and Evaluation. Fifty members attended the meeting.

Prior to addressing the announced agenda items, Mr. Drummond discussed the four major areas of emphasis for the FY 1980 Evaluation Program:

1. Monitoring Delegation Agreements

OPM will maintain an oversight program, monitoring delegations through regular evaluations and special compliance reviews. Agencies were reminded that records must be kept for two years for OPM audit.

2. Evaluation of CSRA Implementation and Impact

OPM will use the "CSRA Implementation Review Format" through FY 1980, monitoring implementation at the installation level and agencywide. Agendas for on-site review of CSRA activity will be added to the Evaluation Handbook in FY 1980. Although most FY '80 "special studies" will evaluate implementation and impact of major CSRA initiatives across agency lines, OPM will introduce a new format in FY '80 which will describe and analyze implementation and impact of one CSRA initiative within a single agency. The new format, known as the "Case Study," will explore circumstances BEFORE, DURING, and AFTER implementation of the initiative. OPM will study four initiatives--performance appraisal, merit pay, employee discipline, and Senior Executive Service,

each in two agencies. Each Case Study Plan will be developed by OPM and the agency, resulting in mutually agreeable objectives. The studies will be conducted by OPM, usually in two or more agency installations, over 18 to 24 months. A status report will be written after each visit and final reports will be completed in late FY '81. Agency participation will be invited, but optional. Mr. Drummond also mentioned that the SES Case Study will be conducted by OPM's Executive Personnel and Management Development Group.

3. Assuring Classification Accuracy in FY 1980

In addition to recurring audit work, OPM will conduct a Special Study of Wage Grade occupations. OPM will also monitor grade and pay retention features of CSRA to determine if classification and placement plans are in place, managers are aware of plans, and installations are following plans.

4. Evaluation of Federal Equal Opportunity Recruitment Program (FEORP)

EEOC Instructions, Phase One, require that nationwide and installation FEORP Plans be in place by October 1, 1979, and operational 30 days later. OPM and EEOC will develop an agenda for OPM on-site evaluation of FEORPs.

Following his discussion of the four major areas of emphasis for the FY 1980 Evaluation Program, Mr. Drummond addressed the four announced agenda items:

1. Discussion of FY 80 Evaluation Program

- a. A tentative schedule of agency-level reviews is currently being developed. Upon release a copy of the schedule will be sent to each member of the IAG Committee on Personnel Management Evaluation.
- b. Three Special Studies (other than Case Studies) were announced. Mr. Drummond indicated that the Classification Accuracy in the Wage Grade System study (first quarter) will be conducted, for the most part, during scheduled evaluations. However, special field work might be done outside of regularly scheduled visits.

The Performance Appraisal study (third quarter) will be a nationwide assessment of early implementation of performance appraisal systems and will be conducted during on-site PMED visits. The Results-Oriented Evaluation of Decentralization of Personnel Management Authorities study (fourth quarter) will be an assessment of what differences the delegations are making in agency management. The study will determine if (1) managers are doing their jobs better, (2) delays in processing are being reduced, and (3) "delegated authority" problems are being surfaced.

ACTION ITEM: Mr. Drummond asked that agency FY 80 Evaluation Agendas be forwarded to ACE by September 1, and he indicated that OPM will send its Evaluation Plans to agencies as soon as they are available.

2. Status of FY 1979 Evaluation Activity

a. Mr. Drummond reported the following activity concerning agency-level reviews:

- Labor, ETA: report scheduled for completion in the near future.
- Army Civilian Career Management: analysis of data is underway and final report is due in March, 1980.
- Agriculture, Farmers Home Administration: field factfinding is complete and final report is due in August.
- Department of Health, Education and Welfare: field factfinding is complete and final report is due in the near future.
- Veterans Administration: field work will be complete in August and final report is due 2nd quarter of FY '80.
- Interior, Bureau of Land Management: field and Headquarters factfinding is complete and final report is due in September or October, 1979.
- Department of Housing and Urban Development: preliminary analysis of data is underway and final report is due in March, 1980.

b. Mr. Drummond reported on four Special Studies. Data collection and analysis for the Study of Classification Accuracy-Phase II will continue through all of FY 1979 and the final report is due in early FY 1980. Factfinding is nearing completion for the Study of the Intergovernmental Personnel Mobility Program and the final report will be written in October, 1979. Source data is being collected from selected agency installations for the CPDF Personnel Information Verification Study and analysis is under way. Pre-change data is being collected for the Results-Oriented Evaluation of Decentralization of Personnel Management Authorities Study.

3. Relationship of the Evaluation Function to the Assistant Directors for Specific Agencies (ADSA's)

Mr. Drummond reviewed the responsibilities of each function. He indicated that the ADSA's will (1) be central OPM technical assistance contact with agencies, (2) maintain a service-oriented role in agency relations, (3) encourage and assist agencies in developing and improving internal personnel management evaluation systems, and (4) assist in resolving severe "compliance" matters involving officials at the Assistant Secretary or higher levels. The Evaluation Staff will (1) provide specialized technical assistance to agency managers; (2) engage in systematic problem identification, cause analysis, and development of corrective action options for personnel management issues that are affecting agency mission performance; (3) assure agency compliance with civil service laws, Executive Orders, rules, regulations, and policies; and (4) gather data and provide feedback about Federal personnel management programs.

4. Update on Various Projects/Tasks

Mr. Drummond briefed the Committee members about three major areas of interest.

a. The first report on CSRA Implementation at the Installation Level was issued to Mr. Sugarman and Program Managers 6/15/79. The next report is scheduled to be issued near the end of July. The first report reflected four active implementation areas in the 50 installations surveyed: labor relations, SES, employee discipline, and implementation planning. Activity at the installation level is not being directed at all aspects of CSRA with the

same intensity of effort, even within the same agency. If future reports confirm a lack of activity in certain program areas, OPM will use the information to encourage greater agency activity selectively.

- b. Concerning Blanket Delegations of Authority, Mr. Drummond told the Committee members that 31 authorities have been delegated and as of July 1 OPM no longer handles actions in those areas. Shortly, OPM will request agency feedback concerning redelegation of authorities. Mr. Drummond also discussed the other 24 authorities which have been offered to agencies. He told the Committee members that the ADSA's are now developing agreements with several agencies and, so far, agencies have requested between one and seven authorities. Early work indicates the most requested authority is "Advanced In-hiring Rates Based on Superior Qualifications." A handbook entitled "Delegation Agreement Information for Agencies" is now available to the agencies through their ADSA. We will also be providing this information to agencies as an FPM Supplement.
- c. Mr. Drummond ended the meeting with a discussion of the training curriculum and revised handbook. Three 5-day courses make up the current training curriculum and Mr. Drummond briefly described each course: Personnel Management Evaluation--The On-Site Method; Quantitative Methods in Personnel Management Evaluation; and Evaluation Survey Management. Concerning the Revised Handbook, Mr. Drummond told the group that it is being revised one section at a time and the Process Section will be sent to the group for review and comment in September.

Mr. Drummond answered general questions and concluded the July 26 meeting.

In addition to the agenda items covered during the meeting, the following additional item will be of interest to agency evaluation staff. Processing of the Attitude Survey Questionnaires through the OPM computer system will require clerical support from the agency to input the data gathered during such questionnaire surveys. This is a routine administrative function that normally will require two or three hours of data keying. Please call the Analysis and Development staff on 632-4475 to arrange for this processing.

Operations Letter

Letter No. 273 - 902

Washington, D. C. 20415

SUBJECT: Evaluation Program for Fiscal Year 1980

This letter outlines our proposed evaluation program for Fiscal Year 1980. It describes our major areas of evaluation emphasis, the special studies to be conducted, and our evaluation plans for each department and agency scheduled for review. Attachment A of the letter summarizes major evaluation activities by quarter and Attachment B displays the proposed location and time frame for CSRA Case Study work.

I. Major Areas of Emphasis

Our Fiscal Year 1980 evaluation program will deal with four major areas of concern. Evaluation managers and team leaders should, to the extent possible, build these concerns into their program plans and assure that each is covered during our on-site work. With the expected implementation of CSRA at all organizational levels, the assessment of that implementation and its resulting impact will be the major focus of our evaluation work during the coming year. The emphasis areas reflect this concern.

A. Monitoring Delegation Agreements

The Civil Service Reform Act of 1978 specifies that it is the policy of the United States to delegate authority to take appropriate personnel actions to agencies to expedite the processing of those actions. Section 1104 of title 5 provides that the Director, OPM, may delegate any of his functions (with certain exceptions) to the heads of agencies in the Executive branch and to other agencies employing persons in the competitive service. OPM is specifically charged in the legislation with establishing and maintaining an oversight program for the decentralization of these personnel management authorities. Both FPM Bulletin 300-48 and 300-52 provided that agency personnel offices must keep records for actions taken under the delegated authorities and have such records available for audit by OPM and agency evaluators for at least two years. We have notified agencies that OPM will be systematically monitoring the use of delegated authorities on a continuing basis, including regular evaluations and special compliance reviews. The monitoring of delegated competitive staffing and SEU's will be accomplished by Staffing Services, according to a separate plan published in FPM Supplement (INT) 377-71.

B. CSRA Implementation/Impact

There are four basic activities associated with our FY 80 monitoring of CSRA implementation:

Inquiries: Analysis and Development Division, ACE, 632-4475 or Ext. 24475

Code: 273 - Personnel Management Evaluation, Surveys and Audits

Distribution: RD's, Area Offices, PMED Chiefs

Letter Expires: October 20, 1979

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- (1) We will continue to use the CSRA Implementation Review Format as described in OPM OL 273-897 for most, if not all, of FY 80. This survey instrument is designed to monitor CSRA implementation activity at the installation level and, when aggregated, should answer basic questions for OPM management about the level of implementation activity over time and within agencies.
- (2) Program managers will develop evaluation agendas during FY 80 for use during our on-site work in the review of CSRA initiatives. When these agendas are completed, they will be released as new installments to our Evaluation Handbook (FPM Supplement 273-73).
- (3) Most Special Studies planned for FY 80 will be structured to assess both the implementation and impact of major CSRA initiatives across agency lines. These studies have been coordinated with program managers to conform with overall CSRA evaluation strategy.
- (4) FY 80 will see a new type of evaluation activity - the Case Study - which may be defined as a controlled description and analysis of the implementation and the resulting impact of one of the following four CSRA initiatives at a specific organizational entity: performance appraisal, merit pay, employee discipline, or the Senior Executive Service. The same study may be conducted within an agency at several locations with the added objectives of comparison and contrast of different characteristics of the workforce, function, mission, etc. The description or "Case Study" will explore the circumstances of reform implementation at the organizational unit before, during, and after the introduction of change. The specific agenda of the study will be developed by OPM staff offices and agency representatives, but the actual studies will be conducted by OPM staff (with or without agency participation) and will be OPM products.

C. Classification Accuracy

We intend to maintain the momentum OPM has gathered during the last few years in strengthening the traditional classification program. Our contribution to the OPM goal will be a strong emphasis on problem oriented evaluations of classification accuracy, to include a special study in FY 80 of Wage Grade occupations. In addition to our recurring audit work, we will closely monitor the grade and pay retention features of CSRA. We are especially concerned with agency efforts to follow the guidance outlined in FPM Bulletin 273-17, Policy on Demotion Delay/Grade Retention Issues, released in March of this year. Each agency is to have a classification and placement plan to achieve correction of the classification and/or reorganization problems they have identified. We want to be sure that such plans are in place, that installation management is aware of what they contain, and that installations are following these plans in correcting their classification problems.

D. Federal Equal Opportunity Recruitment Program (FEORP)

Section 310 of CSRA and OPM's regulations (5 CFR Part 720) require agencies to develop and implement recruitment plans designed to eliminate underrepresentation of minorities and women in their work forces. Agency FEORP plans must be operational by October 1, 1979. The law and regulations assign specific responsibility to OPM to evaluate the implementation of agency recruitment programs.

The Equal Employment Opportunity Commission also has responsibility with respect to FEORP plans. In its instructions to Federal agencies, EEOC has indicated that FEORP plans will constitute a major element of agency FY 80 EEO affirmative action plans. Consequently, EEOC will also have a major role in evaluation of FEORP. Over the next several months, we and the Office of Affirmative Employment Programs will be working with EEOC on evaluation criteria for FEORP and on mechanisms to ensure that efforts of both agencies are consistent and coordinated. When this work is completed, guidance will be issued for coverage of this program during our on-site work.

II. Special Studies

We plan the following special studies for the fiscal year. You will receive operations letters giving specific instructions for conducting these studies.

A. 1st Quarter Studies

(1) Classification Accuracy in the Wage Grade System

We expect to design a methodology that will permit us to make a definitive statement about the classification accuracy of Wage Grade positions. Most of the required audits can be accomplished during regularly scheduled evaluation work, but there remains the possibility that some special purpose field work will be required to achieve the sample size and mix to complete the study.

(2) Case Studies

Two case studies are to be conducted on each of four CSRA initiatives: performance appraisal, merit pay, employee discipline, and the Senior Executive Service. Each of the eight case studies will involve visiting 2 or 3 installations at three distinct points in time over 18 to 24 months. A status report will be prepared during each installation visit, and a final report describing implementation of the initiatives being studied will be prepared after all installation reviews are completed (scheduled for late FY 81). We are currently conducting a case study on performance appraisal in the Environmental Protection Agency. We have yet to identify one agency for a second case study on performance appraisal, two agencies for case studies on merit pay, and two agencies for case studies on employee discipline. Development of case studies on the Senior Executive Service is being managed by the Executive Personnel and Management Development Group. We have not determined whether we will participate with EPMD staff during their work on SES. We will try to spread the initial installation review work through both the first and second quarters of the fiscal year.

B. 2nd Quarter Special Studies

(1) Case Studies

Continuation of the work described in A (2).

C. 3rd Quarter Special Studies

(1) Performance Appraisal

In March of this year, a strategy to evaluate CSRA implementation was developed after considerable review and comment by interested parties. The first full year of evaluation efforts by the PMEDs. One of the specific projects to be

accomplished in FY 80 is a nationwide assessment of the early implementation of performance appraisal systems. The study will be designed in close coordination with the program manager and will be designed to assess the implementation and impact of several aspects of performance appraisal during on-site visits. We foresee a rather elaborate agenda with a heavy resource commitment, i.e., something that should not be combined with other regular on-site work.

D. 4th Quarter Special Studies

(1) Results - Oriented Evaluation of Decentralization of Personnel Management Authorities

This results-oriented evaluation is one component of OPM's total oversight program. The primary purpose of the study is to assess the effect of the decentralization effort on the agency's ability to carry out its mission. We also will be examining record-keeping and application of the delegated authorities. Specifically our objectives are to examine over time:

- a. whether delegations of authority provided to agencies in 1979 are perceived as helping managers do their jobs better,
- b. whether delegation has reduced delays in processing agency personnel actions, and
- c. problems agencies are having realizing the benefits of delegation in applying newly delegated authorities.

The study is being conducted in two phases: FY 79 is focusing on managerial perceptions of how personnel action processing worked prior to the delegations of authority provided in FPM Bulletins 300-48 and 300-52, and FY 80 will focus on changes resulting from the authorities delegated in 1979.

III. Agency - Level Evaluations

A. 1st Quarter Evaluations

- (1) Department of Energy
(Evaluation Plan to be developed)

B. 2nd Quarter Evaluations

- (1) Environmental Protection Agency
(Evaluation Plan to be developed)

C. 3rd Quarter Evaluations

- (1) Interior, Bureau of Indian Affairs
(Evaluation Plan to be developed)
- (2) Air Force, Logistics Command
(Evaluation Plan to be developed)

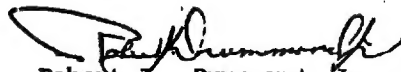
D. 4th Quarter Evaluations

(1) Justice, Drug Enforcement Administration

(Evaluation Plan to be developed)

Before your field work begins, you will receive individual operations letters with instructions on the specifics of the agency-level evaluations.

Please complete your schedules for Fiscal Year 1980 taking into account (1) the Priority I resource requirements in support of agency-level reviews, (2) CSRA implementation studies, and (3) individual agency evaluation strategies that are being extended into Fiscal Year 1980. Send your schedules to the Assistant Director, Agency Compliance and Evaluation, not later than September 10, 1979.



Robert J. Drummond, Jr.,
Assistant Director,
Agency Compliance and Evaluation

Attachments

FY 80 EVALUATION PLAN

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
A G L E E N V C E Y L	Department of Energy	Environmental Protection Agency	(1) Interior, Bureau of Indian Affairs (2) Air Force Logistics Command	Justice, Drug Enforce- ment Administration
S S P T E U C D I I A E L S	Classification Accuracy in the Wage Grade System		Performance Appraisal	Results Oriented Evaluation of Decentralization of Personnel Management Authorities
C S A T S U E D I E S	Case Studies (5 Installations - OPM Regions to be selected)	Case Studies (5 Installations - OPM Regions to be selected)	Case Studies (5 Installations - OPM Regions to be selected)	

Attachment A to OPM OL 273 - 902

Attachment B to OPM OL 273 - 902

CASE STUDIES

	Agency <u>EPA</u>	Agency <u>Air Force (Tentative)</u>
Performance Appraisal	<u>Installations</u>	<u>Installations</u>
	1 Dallas Regional Office	1
	2 Cincinnati Labs	2
	(3)	(3)
	Agency <u>NASA</u>	Agency _____
Merit Pay	<u>Installations</u>	<u>Installations</u>
	1	1
	2	2
	(3)	(3)
	Agency <u>Army (Tentative)</u>	Agency <u>Mint (Tentative)</u>
Employee Discipline	<u>Installations</u>	<u>Installations</u>
	1	1
	2	2
	(3)	(3)
Senior Executive Service	Case studies in four agencies being pursued.	